TWENTY-THIRD YEAR

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CHANG'S TERMS OF

Rebel General Sets Forth Plan for Ending Civil War and Freeing of Kai-Shek

EMISSARY COMES FROM MUTINEERS

Conference Is Immediately Begun, With Chiefs Of Nanking Government Participating; Gathering Protected by Armed Guards Around Council Room

Nanking, China, Dec. 18 .- (AP)-High officials of the Nanking government were called into session today under the protection of armed guards to hear what was thought to be the terms Marshal Chang Hsueh-Liang has dictated to end the civil war and free Chiang Kai-Shek.

The arrival of General Chiang Ting-Wen from Sianfu opened the Na-tionalist government's efforts on peaceful negotiations to release the generalissimo while their crack divisions pushed toward the rebel stronghold of Sianfu under orders to storm the city if all other means fail-

General Chiang Ting-Wen, who had been held captive with his chief, since the beginning of the rebellion last week, immediately went into conference with Dr. H. H. Kung, civil head of the government; Dr. T. V. Soong, brother-in-law of the generalissimo, and Madam Chiang Kai-Shek.

Edward Kind To Pose For Picture Men'

Envesfeld, Dec. 18.-(AP) - The Duke of Windsor terminated his voluntary seclusion today to pose for a battery of photographers on the grounds of Baron Eugene de Rothsild's Austrian castle.

Hatless and in a serious mood, the former British ruler walked alone to the courtyard, where 17 camermen awaited him. He appeared fatigued. "Gentlemen how do you want me?" he greeted the photographers. "Shall I sit or stand?"

A flood of replies and subsequent questions followed his remarks as the business of making pictures of the abdicated monarch began.

Three minutes later the photographers, clutching their plates, began a 500-yard sprint to their automobiles and motorcycles to carry them the 23 miles to Vienna. The duke replied to only one direct

statement, made by a British photographer, who said: "We wish your highness every hap-

"I wish you luck, also," the British prince responded.

DEATH CALLS WIFE SEABOARD FOREMAN

Roanoke Rapids, Dec. 18 (AP)board Air Line railroad foreman at Littleton, died in a hospital here last night of a wound. Officers listed the

Five Perish InApartment ment already tenderd min by nor J. C. B. Ehringhaus and to take the oath of office as secretary of state the oath of office as secretary of state

With Lighted Cigarette in Hand; Ac- ments were announced. But Mr. Eure asked for some time to consider the cused Under Law

New York, Dec. 18 (AP)-William Hoffman, who went to sleep with a lighted cigarette in his hand, and caused a fire in a rooming house in 13rd street early today, costing the lives of five persons was arrested this afternoon charged with second degree manslaughter.

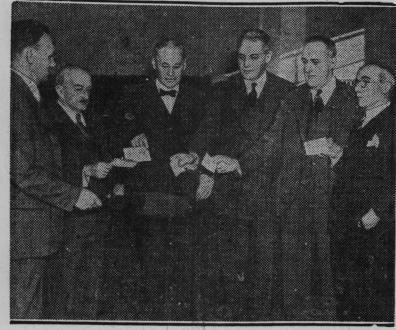
Assistant District Attorney Saul Trice, who questioned Hoffman, said he was guilty of "culpable and gross The five were killed at dawn when

fire swept through the house near Riverside Drive.

Four were burned to death inside he four-story brownstone building and one man jumped to his death from a third floor window when the fire cut off his escape down the

Carolina Power & Light Co. Cuts Rates \$730,000 Total To Customers In Carolinas

Maine Votes—Anyway



Formal casting of the ballot in the electoral vote of Maine for the Presidency is shown above. As Maine went, so did Vermont. Maine gave five votes for Landon—Vermont three. Grand total eight electoral votes. Oh, well. . . .

Grocer And Woman From Nearby Home Are Found Dead In Raleigh Store

Trouble Brewing Among the Cubans

Havana, Dec. 18.—(AP)—A commission of senators and representatives met early today to draft impeachment proceedings against President Miguel Gomez because of sition to the \$1,500,000

President Gomez incurred the political enmity of the commission members because he said he would veto the bill, sponsored by Cuba's "strong man," Colonel Fulgencio Batista, to provide revenues for army-taught rural schools.

Several congressmen ,who declined to be quoted by name, declared impeachment proceedings would be forced, regardless of the congressional vote on the bill, which would create a nine-cent tax on each bag of sugar.

EURE MAY BECOME STATE SECRETARY

May Take Powell's Place Before Starting His Regular Term

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. BASKERVILL Raleigh, Dec. 18.—Thad Eure, who was elected secretary of state in the November election, but who ordinarily would not take office until January 7, is expected to accept the appointment already tenderd him by Government already tenderd him by Gove hor J. C. B. Enringhaus and to take the oath of office as secretary of state late today or tomorrow. Governor Enringhuas conferred with Mr. Eure Wednesday night after he had appoint ed Charles G. Powell present secretary of the new tary of state, as chairman of the new State Unemployment Compensation Man Goes To Sleep Commission and urged Eure to accept the appointment to fill out Powell's unexpired torm so that the ment of his acceptance could be made at the same time the other appoint-

(Continued on Page Three.)

ments were announced. But Mr. Eure



Coroner Waring Pronounces It Murder and Suicide After His First Investigation

THINKS COUPLE HAD FOUGHT EACH OTHER

Man, P. N. Mozingo, Had Nearly Severed Woman's Head from Body and Then Shot Himself Twice With Revolver, According to Coroner

GROCER Raleigh, Dec. 18 (AP)-P. N. Mozingo, 52, operator of a neighborhood grocery here, and Mrs. Anna Collins, attractive middle-aged woman who lived across the street, were found dead in a bedroom back of the store this morning, and Coroner L. M. Waring said "it appeared to have been murder and suicide."

After his first investigation, the coroner said he thought the man and woman had killed each other in a "double murder."

The coroner said he believed the two started a fight on a bed in the room and Mrs. Collins slightly cut Mozingo's throat. He theorized Mozingo then nearly severed the woman's head from her body with a case knife, then shot himself twice with a revolver. "I must study the case still further before I make an official finding as to just what took place," the coroner said in discussing his second theory.

LEIBY REACTIONS

partment of Agriculture Is Halted

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. BASKERVILL Raleigh, Dec. 18.—While present in dications are that Kerr Scott has for the time being ceased firing along his battlefront in connection with what is now being referred to as "the great Scott purge" of the Department of Agriculture, echoes from the firing are still being heard and are continu-ing to reverberate through political

circles in the State. The loudest reverberations continue to come as a result of Scott's firing of Dr. R. W. Leiby, for 21 years with the Department of Agriculture and for the last 11 years chief of the division of entomology and regarded as one

It was learned today from very re-liable sources that Scott had also planned to fire Fred Miller, superintendent of the Department of Agriculture test farms-in fact, that he

(Continued on Page Four.)

\$550,000 of Amount of Slash Is Given in 35 North Carolina Counties It Serves

INDUCEMENT RATE SCALE ABOLISHED

Stanley Winborne, Utilities Commissioner, Says Slash Total \$6.500.000 in Reductions Given by Utilities in State in Past Four Years

Raleigh, Dec. 18.—(AP)—The Carolina Power & Light Company filed rate reductions here and at Columbia, S. C., today to affect savings af around \$730,000 annually to customers in 35 North Carolina and eleven South Carolina counties.

The reductions became effective on all bills rendered on and after January 26, 1937.

Stanley Winborne, utilities commissioner, said the \$550,000 saving for North Carolina customers of the com-\$6,500,000 by power, telephone and gas companies in the State in the past

Experience has shown, he added, the total estimated saving has been lower than the actual results.

The new rates abolished the utility's 'inducement" rate and in North Carolina affects 16,000 commercial and 65,000 residential users, with the former getting a slightly larger reduction than the latter.

Residential users under the new rates must pay five cents per kilowatt hour for the first 50, as compar-

(Continued on Page Three.)

CONVICT GEORGIAN IN MARTIN MURDER

A. N. Watson Faces Death Chair for Slaying of Filling Station Man at Williamston

Williamston, Dec. 18.—(AP)—A. N. Watson, of Jefferson, Ga., faced death in the lethal gas chamber today after a jury of Beaufort citizens convicted him in Martin Superior Court of first degree murder of Thomas Holiday,

Sentence was not passed immediately to set the death date. Holiday was found dying at the filling station the morning of November 22. Evidence tended to show Watson who had been working on a road construction job near here for some

months, had struck Holiday a blow on the head while the latter was changing a tire on Watson's car.

G. O. P. Will Pay Hamilton \$25,000 Sum

Chicago, Dec. 18.—(AP)—Members of the executive committee of the Republican National Committee disclosed today Chairman John Hamilton had been voted a salary of \$25,000 a year to devote his full time to the party's rehabilitation.

It was the first time the chairman of the Republican National Committee had been put on a full-time salary basis in the interim between presidential campaigns, the committeemen

The action was taken at an execu-Hamilton a vote of confidence and refused to accept his resignation.

SLOWLY CRUMBLES

Even England Instigator of Program, Admits Selling Gas Masks to the Loyalists

POLICY AIMED AT LOCALIZING FIGHT

But Russia, Germany, Italy and Portugal Have All Been Accused of Helping One Side or Other in Civil War; "White-Washing" Is Given In London

(By The Associated Press.) Europe's "hands-off" Spain policy crumbles as the civil war drags on into its sixth month.

Britain's tall, trim young Foreign Secretary Anthony Eden today announced "we could have sold a small confinement of gas masks to the Spanish government at their request.' That adds one more difficult ele-

ment to a confused situation. Russia has sent money and frequently has been charged with sendpany made reductions of more than ing men and arms to the Madrid government.

Germany, Italy and Portugal have been accused of doing the same for the Fascist forces, besieging Madrid and holding more than half of Spain. Guns, tanks and airplanes with for eign labels have been found on both sides of the war front, but how they

got there is not clear. Eden's "non-intervention" committee of a score of nations agreed in London to stay out of the war as the only method of preventing a Euro jean conflict. All agreed there was danger of a general war if arms were furnished by countries sympathizing with the Socialist-Communist Madrid government, or with the insurgents

Catholic elements. The London committee white-washed every one, but later developments indicated "they were not guilty, but don't do it any more."

composed of Fascists, aristocratic and

ANOTHER GANSTER LEADER IS KILLED

24-Year-Old Dominick Scaduto Shot Dead in Chicago in Rear of Pool Room Retreat

Chicago, Dec. 18.—(AP)—The riddled corpse of 24-year-old Dominick Scaduto rested today at the county morgue-end of the trail in his vain flight from a gangland nemesis which brought down his brother, Joseph, in

New York last July. Three gunmen lined up the patrons of a West Side pool hall in a back room last night, drew a bead on Scaduto and shot him to death with a shotgun and two pistols. They made no attempt to rob or

harm the customers. prothers might be connected with the assassination of Arthur (Dutch) Schultz Flegenheimer, New York racket boss, for the recent conviction on vice charges of Charles (Lucky) Luciano, Flegenheimer's gangland

Companies Accused By Mexico Will Steel Head

Washington, Dec. 18.—(AP)—Philip Murray, chairman of the steel work tive committee meeting late yesterday ers organization committee, charged after the national committee gave today before the National Labor Re-

(Continued on Page Three.)

"Great Scott Purge" In De- Depression Is Fading Into Memory, Babson Declares

Unemployed Being Absorbed by Private Industry And December Busines's Is Best Since 1928; Heavy Industries Given Credit for Current Boom

By ROGER W. BABSON, Copyright 1936, Publishers Financial Bureau, Inc.

ing feature about this December boom in business is the renaissance of entomology and regarded as one of the outstanding men in his line in the United States. He has appointed C. H. Brannon, at present extension entomologist at State College, to succeed Dr. Leiby.

among the heavy mustries. Each motive orders, utility construction, shipbuilding, plant expansion, oil drilling activity, and home building have suddenly come to life. This boomlet is no flash-in-the-pan. The among the heavy industries. Locorevival among these industries is away the last obstacles in the path

of returning prosperity.
Shirts Vs. Locomotives What is the difference between capital and consumer goods? Consumer

goods are used up soon after they are produced. They are usually made on order and quickly turned into Washington, Dec. 18-The outstand- money. Hence, most manufacturers of such goods operate on a cash basis. Typical examples of consumer goods are shoes, shirts, bread, automobiles, carpets, radios and the like. Capital goods, on the other hand, are durable products and are used principally in fabricating or transporting other goods. It takes weeks or months to make capital goods and years to gathering momentum and clearing pay for them. Hence, they are manufactured on credit. Examples of capital goods are locomotives, steamships, machinery, and power stations.

(Continued on Page Six.)

CRUSIER OFF SPAIN

On Missing Air Liner



H. W. Edwards

Among the seven aboard the missing Los Angeles-Salt Lake City air liner, believed either forced down or wrecked in the Wasatch mountains of Utah, was H. W. Edwards, above, communications superintendent of the air-lines company.

—Central Press

McDonald Group Sees Continuance of Spoils System in State

MIGHT HELP LIBERALS

If This Policy Continues, 1940 May See Real Overturn of Present Dominant Faction in

Daily Dispatch Bureau, In the Sir Walter Hotel, By J C BASKERVILI. Raleigh, Dec. 18.—The appointment of Charles G. Powell as chairman of the newly created Unemployment Compensation Commission and for a term of six years, within six hours after the General Assembly had fin-Police theorized the death of the ished enacting the bill creating this commission, has set political circles here by the ears and for the time being is bringing down more criticism upon the heads of retiring Governor J. C. B. Ehringhaus and incom-

ing Governor Clyde R. Hoey than anything which has happened in months, observers here agree. Nor is this criticism coming from those who are un-(Continued on Page Six.)

Let Trotzky Enter There

Mexico City, Dec. 18 .- (AP)-Leon Trotzky's plea for asylum opened hospitable doors in Mexico today for the wandering exile from Soviet Russia, who could find no refuge in Europe. The former revolutionary leaderdespite earlier intimations he would refuse Mexico's offer of haven, unless he were promised full freedom of political activity—was expected to sail from Norway on the next boat.

Trotzky, literally a man without a country, applied to the Mexicon minister at Paris, Adelberto Tejeda, for permission to reside in Mexico, government officials said. The ministry of interior announc-

ing Trotzky had accepted the government's invitation, said immigration authorities were ordered to admit (Trotzky's permit to reside in Nor-

vay, his present refuge, expired yes-

OUR WEATHER MAN



FOR NORTH CAROLINA Cloudy, occasional rain tonight and Saturday; slightly warmer

Three Shells Strike Near "Erie" off Gijon, to Which Port Gunboat Goes Quickly

U. S. FLAG RAISED AND FIRING ENDS

Spanish Fascist Cruiser Immediately Steams Away: French and British News Agencies Report Incident but U. S. Naval Attache Lacks Facts

London, Dec. 18 (AP)-A Reuter's (British) News Agency dispatch from Gijon, Spain, today said the Spanish Fascist cruiser Estana fired three shells which struck near the United States gunboat Erie off Gijon.

The Reuter's dispatch said the shells, of 305 milimeters, struck about 300 yards from the United States

'The Erie ran up the American flag, the report said, after which the Spanish vessel steamed away. The Erie then put into Gijon, Reut-

er's said. (The American naval attache in Paris said he was unable to confirm reports, which also were carried by a French news agency in a dispatch un-

der Madrid dateline. (He further declared the Erie, having completed a shake-down cruise, was scheduled to return to the United

States via the Azores). The Erie's displacement is 2,000 tons. She carries four five-inch guns, two three-inch anti-aircraft guns, and two

Fascists Pave Way For Drive

Madrid, Dec. 18.-(AP)- Spanish Fascists, fighting to clamp a band of steel around northern Madrid, drove today to the Escorial road, to open the way for an attack from Guadalajara.

The insurgents apparently were shifting their attack around from the west to the north and east, leaving the southern approach to Madrid less heavily guarded than during the last few weeks of the siege.

Government forces, seizing their opportunity, were reported to have captured a strategic hill near Toledo.

One Strike Of Auto Men Called Off

(By The Associated Press.) Strikers in one branch of the automotive industry returned to work today while others, deadlocked with their employers, awaited word from union leaders conferring at Washing-

The day-old walk-out in National Automotive Fibre Company of Detroit maker of floor mats cushions and upholstery, ended early today when 1,2 500 workers accepted wage increases of five cents an hour and agreed to negotiate over other issues.

A strike of 13,000 flat glass workers-whose output includes automobile glass-continued. Glenn McCabe. their union head, planned a meeting at the capital with Homer Martin, United Automobile Workers chief, and John L. Lewis, with whose committee for industrial organization both unions were affiliated.

WAS OVERLOOKED

Big Events Transpiring During King Edward "Break" Were Ignored

By CHARLES P. STEWART

Central Press Columnist .
Washington, Dec. 18.—There are times in the affairs of men when, for a space of days or weeks or months or even longer, there practically is no news except of just one kind. The interval during which all hu-

man attention was riveted upon the King Edward-Mrs. Simpson affair

Continued on Page Two.)